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SUBJECT: AUSTRALIAN GOVERNMENT VIEWS ON NUCLEAR  
NONPROLIFERATION TREATY

REF: A. STATE 6970

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1C. 08 CANBERRA 671

11. In response to our January 30 demarche (reftel), John Sullivan, Assistant Secretary for Arms Control and Counter-Proliferation, Department of Foreign Affairs and Trade (DFAT), provided the following responses to our specific questions, drawn from a GOA interagency review. We have not yet received media and NGO views. Refs B and C are post's earlier reporting that illuminate GOA thinking on the NPT and related matters.

12. Following are written responses provided by DFAT:

Begin text:

NUCLEAR NONPROLIFERATION TREATY

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1A. What are Australia's objectives for the NPT in general, and for the current review process in particular?

--Australia wants the NPT review process to restore the NPT consensus through an affirmation of the treaty's core benefits.

Australia's main objective for the NPT and the current review cycle is to ensure the maintenance of the security benefits provided by the treaty (that is the near universal commitment by non-nuclear-weapon states (NNWS) not to acquire nuclear weapons).

Australia therefore aims to prevent further violations of treaty obligations by states parties who develop covert nuclear programs. Another important objective for Australia is affirmation by NPT parties of the universal adoption of the International Atomic Energy Agency's (IAEA) Additional Protocol (AP) as the key to strengthening IAEA safeguards and thus a key measure to strengthen the treaty.

Australia also seeks recognition by states parties that the 'inalienable right' under Article IV is linked to compliance with the non-proliferation and safeguards obligations of Articles I, II, and III.

The current review cycle needs to avoid the rancor and lack of consensus that plagued the previous review cycle. Recognition by states parties of the benefits the NPT provides to all members would go some way to achieving this goal. Australia will be looking to develop a strategy to convince countries of the benefits the treaty provides, focusing as a first step on our own region.

Additionally, a priority objective for Australia is for states parties to reach agreement on disincentives or punitive measures for states that would seek to reach a 'break out' capability and then withdraw (under Article X) from the treaty to develop a nuclear weapons program.

The Australian Government is strongly committed to nuclear disarmament. A further objective for Australia is a demonstration by nuclear weapon states (NWS) that they are actively working to fulfill their commitments under Article VI.

The issue of a Middle East Nuclear Weapon-Free Zone has the potential to derail the current review cycle should Egypt, or other Arab states, choose to play a spoiler role. Member states will need to give early consideration to how to avoid this occurring. One possible option might be for states parties to urge Israel and Egypt to agree to an agenda for the Middle East Multilateral Working Group on Arms Control and Regional Security.

1B. What policies or actions regarding the NPT does Australia hope to see from the United States?

--Australia strongly believes that United States leadership is vital in the lead up to and at the 2010 NPT Review Conference. It is vital in the lead up to and at the 2010 NPT Review Conference.

The United States has an important leadership role to play in helping the NPT move forward from the debate over disarmament

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that brought the 2005 NPT RevCon to an impasse. Australia strongly encourages the early articulation of US policy positions for the NPT, as well as strategic engagement with like-minded states to develop ideas to promote shared objectives and strategic engagement with all others to find areas in which progress might be possible.

Australia recognizes the significant reductions the United States has made to its nuclear arsenal. However, we also note that failure to recognize prior disarmament commitments, the ongoing failure of the Conference on Disarmament to begin work and the inability to bring the Comprehensive Nuclear-Test-Ban Treaty (CTBT) into force have allowed hard-line NNWS (predominantly from the Non-Aligned Movement) to claim that NWS are not fulfilling their Article VI obligations and hold hostage much needed progress on stronger non-proliferation measures.

It is important that NWS recognize the genuine concerns of many NNWS about the pace and scale of nuclear disarmament. In this context, it is critical that the United States work with other NWS to address concerns that they have not honored their side of the bargain agreed at the 1995 Review and Extension Conference.

The United States has an opportunity to demonstrate (with Russia) leadership on this issue through an agreement which has deep reductions in arsenals, is irreversible, transparent and coupled with confidence-building measures such as the de-alerting of nuclear forces on high alert. Demonstrable progress in the negotiations on a successor arrangement to the Strategic Arms Reduction Treaty (START) would reinforce the seriousness with which the United States takes its obligations. If such a successor cannot be negotiated prior to START's expiration in 2009, the extension of START until a new arrangement is complete would be a strong demonstration of both states' commitment.

Australia believes that recognition by the NWS of disarmament commitments made in previous review cycles coupled with an understanding that those commitments need to be reformatteed to suit present realities (references to START II and III are

clearly no longer relevant) would help defuse the impasse.

Australia also considers it important that the United States demonstrate determination to make progress towards ratification of the CTBT. A clear statement in the Conference on Disarmament that the United States is willing to commence negotiations on a verifiable Fissile Material Cut-off Treaty (FMCT) would be also be a demonstration of the United States' commitment to Article VI of the NPT.

While recognizing that the issue of Arab states' frustration regarding the resolution on the Middle East cannot be addressed in isolation from broader Middle East developments, the United States will need to play a central role in efforts to ensure the issue does not lead to derailment of the review conference.

The United States should also consider whether statements on no first use and/or negative security assurances in the NPT context (i.e. offered to NPT parties in good standing) could be a part of the package for 2010.

**1C.** What does Australia believe would represent a successful outcome to the current NPT cycle ending with the 2010 Review Conference? How important is it for Parties to Q2010 Review Conference? How important is it for Parties to reach consensus on substantive matters?

--A consensus outcome is high priority for Australia.

As indicated above, the ideal outcome for Australia would be one in which there had been reaffirmation of the security value of the NPT, affirmation of the need to universalize the AP, agreement on strong disincentives to withdrawal from the treaty, and reaffirmation by the nuclear-weapon-states of their commitment to Article VI.

However, a Review Conference that avoided the rancor of 2005 and was able to produce a consensus outcomes document that, at minimum, reaffirmed the central role of the treaty in international security and the security benefits the treaty provides to all member states, would be a successful outcome.

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Australia places a high priority on a consensus outcome from the 2010 Review Conference.

Failure to reach consensus on at least the basic tenets of the NPT will further undermine it, potentially leading to a weakening of states' commitment to their obligations under the treaty.

**1D.** Does Australia believe that NPT parties should take action to address the NFT issues described below? If so, what actions would it support?

--Non-compliance with the NPT, e.g., on the part of Iran and North Korea.

Australia believes that NPT parties should take action to address this issue. However, the, treaty itself does not address what represents non-compliance. Debate on this issue could lead to states unhelpfully arguing that nuclear weapon states are in non-compliance with their Article commitments. Australia would prefer to see the Review Conference reaffirm the need for strict compliance with safeguards commitments and the role of the IAEA Board of Governors and UN Security Council in addressing, and if necessary punishing, non-compliance.

--The prospect of Parties violating and then withdrawing from the Treaty.

Australia would like to see NPT states parties agree on strong disincentives to states withdrawing from the treaty. These could include, *inter alia*, recognition that withdrawal

represents a threat to international peace and security and therefore merits immediate referral to the UN Security Council, and agreement that all benefits of the treaty (transfers of nuclear technology for peaceful purposes) accrued while a party to the treaty be returned or otherwise made inoperable.

--The lack of NPT universality.

Australia would like to see continued commitment by all states parties to the universalization of the NPT and to call on all non-NPT states to accede to the treaty as soon as possible as non nuclear weapon states and without preconditions.

In the absence of treaty membership Australia believes that all NPT states should call on non-NPT states to act as though party to the treaty. This could include: placing IAEA safeguards on all civil nuclear facilities; adopting an AP; helping to stem proliferation by adopting the strongest possible national export controls; and adopting all non-NPT disarmament and non-proliferation multilateral treaties such as the CTBT.

--The lack of universality of NPT safeguards agreements and the Additional Protocol.

Australia would like to see an NPT consensus document stating that the universal adoption of safeguards agreements, along with an AP, should form the basic standard of verification for all states. The document could reinforce that the AP on strengthened safeguards serves all States' interests by enhancing the IAEA's ability to provide assurances about the peaceful nature of nuclear a state's nuclear activities - and more particularly to provide credible assurance that there are no covert nuclear activities. That assurance contributes to the climate of confidence conducive to progress on non-proliferation, disarmament and further cooperation on peaceful uses of nuclear energy.

Australia would like to see NPT states agree on a mechanism and timeline to enable the introduction of a safeguards agreement with an AP as the safeguards standard for all states.

--The spread of enrichment and reprocessing capabilities to additional countries.

Australia strongly believes that the transfer of the most proliferation sensitive aspects of the nuclear fuel cycle -

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enrichment and reprocessing - should be subject to the strictest possible controls. Australia actively supports the ongoing process within the Nuclear Suppliers Group to strengthen controls under which transfers of proliferation sensitive technologies could be made.

Australia would support endorsement by NPT parties' of the NSG's strict criteria, when finalized, under which the supply of enrichment and reprocessing technologies between states might take place.

--Fulfilling the Treaty's obligation for the fullest possible international cooperation for the peaceful uses of nuclear energy consistent with the Treaty's non-proliferation obligations.

As one of the world's major uranium suppliers, Australia recognizes the rights of all NPT parties to peaceful nuclear energy, but notes that these rights are not unqualified. Australia would like to ensure NPT parties recognize in 2010 NPT Review Conference documentation that rights to peaceful nuclear energy is linked to conformity with Articles I, II

and III of the Treaty (the NPT non-proliferation commitments).

Many NNWS feel that they have not received their part of the NPT bargain enshrined in Article IV. How to secure access to clean, safe and reliable energy, including in the context of the so called "nuclear renaissance", without fuelling proliferation must be tackled by the 2010 Review Conference. Broad agreement by member states on issues such as multilateral approach to the nuclear fuel cycle would help progress this issue.

--Fulfilling the Treaty's obligations to pursue negotiations relating to nuclear, disarmament.

NWS should make joint declaratory statements of their commitments to honor Article VI obligations and the abolition of nuclear weapons. These statements must be supported by demonstrable disarmament initiatives including continued reductions in arsenals and ratification or negotiation of disarmament and non-proliferation mechanisms complimentary to the NPT such as the CTBT or FMCT.

Australia believes that all NPT parties can take further action to bring about negotiations, on nuclear disarmament. In the NPT review process NNWS should state their commitment to help build an international security environment conducive to negotiations by adopting the strongest non-proliferation measures possible and by recognizing that complete nuclear disarmament will occur through balanced, progressive and mutually reinforcing steps.

--Transparency on the part of nuclear weapon states with regard to their nuclear weapons forces and policies.

Australia recognizes the transparency measures the United States has taken with regard to its nuclear doctrine and arsenal. The United States displays welcome transparency through the accountability of its Congressional and other processes. The defined numbers of both START and the Moscow Treaty also shed light on the numbers of strategic weapons the United States has deployed.

Nonetheless, Australia would welcome further action from the United States and all nuclear-weapon-states in making their nuclear policies more transparent. Specifically, Australia would welcome from nuclear-weapon-states greater transparency on warhead numbers (both deployed and stockpiled) and greater transparency on non-strategic reductions. Australia would also like to see a more transparent approach by NWS to weapon modernization programs. Finally, Australia would welcome - as far as practicable given national security concerns - a more transparent approach to nuclear doctrine including alert.

End text.

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